

**EIGHTY-FIFTH GENERAL ASSEMBLY
2013 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

MARCH 12, 2013

HOUSE FILE 167

H-1065

1 Amend House File 167 as follows:
2 1. Page 1, before line 1 by inserting:
3 Sec. _____. Section 135B.7, Code 2013, is amended by
4 adding the following new subsection:
5 <NEW SUBSECTION. 5. The rules shall require a
6 hospital to test each newborn child for the presence of
7 an illegal drug in the child's body. The test shall
8 be conducted prior to discharge of the newborn child
9 from the hospital or by the time the child is three
10 days old, whichever is sooner. The requirements for
11 the test shall ensure that the test, test procedure,
12 and test analysis processes meet evidentiary standards
13 for prosecution of child endangerment offenses under
14 section 726.6, subsection 1, paragraph "i", and shall
15 address reporting of positive test results to the
16 department of human services and the county attorney.>
17 2. By renumbering as necessary.

By WOLFE of Clinton

H-1065 FILED MARCH 11, 2013

HOUSE FILE 219

H-1061

1 Amend the amendment, H-1057, to House File 219 as
2 follows:
3 1. Page 1, after line 6 by inserting:
4 <____. Page 6, after line 32 by inserting:
5 <Sec. _____. <SEVERABILITY. If the provisions of
6 this Act that provide for retroactive applicability or
7 the application thereof to any person or circumstance
8 are held invalid, the invalidity shall not affect
9 other provisions or applications of this Act which
10 can be given effect without the invalid provision or
11 application, and to this end the provisions of this Act
12 are severable as provided in section 4.12.>>
13 2. Page 1, line 13, by striking <The> and inserting
14 <Notwithstanding any provision of law to the contrary,
15 the>
16 3. By renumbering as necessary.

By KAUFMANN of Cedar

H-1061 FILED MARCH 11, 2013

HOUSE FILE 219

H-1062

1 Amend the amendment, H-1057, to House File 219 as
2 follows:
3 1. Page 1, after line 6 by inserting:
4 <____. Page 6, after line 32 by inserting:
5 <Sec. _____. <SEVERABILITY. If any provision of this
6 Act is held invalid, the invalidity shall not affect
7 other provisions or applications of this Act which can
8 be given effect without the invalid provision, and to
9 this end the provisions of this Act are severable as
10 provided in section 4.12.>>
11 2. Page 1, line 13, by striking <The> and inserting
12 <Notwithstanding any provision of law to the contrary,
13 the>
14 3. By renumbering as necessary.

By KAUFMANN of Cedar

H-1062 FILED MARCH 11, 2013

HOUSE FILE 307

H-1060

1 Amend House File 307 as follows:
2 1. Page 6, by striking lines 29 through 32 and
3 inserting <~~adjutant-general~~ governor.>

By HAGENOW of Polk

H-1060 FILED MARCH 11, 2013

HOUSE FILE 311

H-1063

1 Amend the amendment, H-1058, to House File 311 as
2 follows:

3 1. Page 1, after line 5 by inserting:

4 <____. Page 3, after line 25 by inserting:

5 <Sec. _____. Section 466B.3, subsection 4, Code 2013,
6 is amended to read as follows:

7 4. Membership.

8 a. The voting members of the council shall consist
9 of the following members:

10 ~~a.~~ (1) The director of the department of natural
11 resources or the director's designee.

12 ~~b.~~ (2) The director of the soil conservation
13 division of the department of agriculture and land
14 stewardship or the director's designee.

15 ~~c.~~ (3) The director of the department of public
16 health or the director's designee.

17 ~~d.~~ (4) The administrator of the homeland security
18 and emergency management division of the department of
19 public defense or the administrator's designee.

20 ~~e.~~ (5) The dean of the college of agriculture and
21 life sciences at Iowa state university or the dean's
22 designee.

23 ~~f.~~ (6) The dean of the college of public health at
24 the university of Iowa or the dean's designee.

25 ~~g.~~ (7) The dean of the college of natural sciences
26 at the university of northern Iowa or the dean's
27 designee.

28 ~~h.~~ (8) The director of the department of
29 transportation or the director's designee.

30 ~~i.~~ (9) The director of the economic development
31 authority or the director's designee.

32 ~~j.~~ (10) The executive director of the Iowa finance
33 authority or the executive director's designee.

34 ~~k.~~ (11) The secretary of agriculture, who shall be
35 the chairperson, or the secretary's designee. As the
36 chairperson, and in order to further the coordination
37 efforts of the council, the secretary may invite
38 representatives from any other public agency, private
39 organization, business, citizen group, or nonprofit
40 entity to give public input at council meetings,
41 provided the entity has an interest in the coordinated
42 management of land resources, soil conservation, flood
43 mitigation, or water quality. The secretary shall also
44 invite and solicit advice from the following:

45 ~~-(1)-~~ (a) The director of the Iowa water science
46 center of the United States geological survey or the
47 director's designee.

48 ~~-(2)-~~ (b) The state conservationist from the Iowa
49 office of the United States department of agriculture's
50 natural resources conservation service or the state

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1 conservationist's designee.

2 ~~—(3)~~ (c) The executive director for Iowa from the
3 United States department of agriculture's farm services
4 agency or the executive director's designee.

5 ~~—(4)~~ (d) The state director for Iowa from the
6 United States department of agriculture's office of
7 rural development or the state director's designee.

8 ~~—(5)~~ (e) The director of region seven of the
9 United States environmental protection agency or the
10 director's designee.

11 ~~—(6)~~ (f) The corps commander from the United States
12 army corps of engineers' Rock Island district or the
13 commander's designee.

14 (g) The director of the center for agricultural
15 and rural development at Iowa state university or the
16 director's designee.

17 ~~1.~~ (12) The dean of the college of engineering at
18 the university of Iowa or the dean's designee.

19 (13) The executive director of conservation
20 districts of Iowa or the executive director's designee.

21 b. The nonvoting members of the council shall
22 include all of the following:

23 (1) Two members of the senate. One senator shall
24 be appointed by the majority leader of the senate and
25 one senator shall be appointed by the minority leader
26 of the senate.

27 (2) Two members of the house of representatives.
28 One member shall be appointed by the speaker of the
29 house of representatives and one member shall be
30 appointed by the minority leader of the house of
31 representatives.

32 Sec. _____. Section 466B.3, subsection 6, Code 2013,
33 is amended by adding the following new paragraph:

34 NEW PARAGRAPH. d. In coordination with the
35 department of natural resources and the department of
36 agriculture and land stewardship, the council shall
37 review, amend, and approve the state nutrient reduction
38 strategy. In reviewing and approving the strategy, the
39 council shall ensure that all concerns raised by the
40 United States environmental protection agency regarding
41 the strategy are addressed. The department of natural
42 resources and the department of land stewardship shall
43 include in the final strategy any changes recommended
44 by the council. In coordination with the department of
45 natural resources and the department of agriculture and
46 land stewardship, the council shall provide oversight
47 of the implementation of the strategy.

48 Sec. _____. Section 466B.31, subsection 1, Code 2013,
49 is amended to read as follows:

50 1. A watershed planning advisory council is

1 established for purposes of assembling a diverse
2 group of stakeholders to review research and make
3 recommendations to and collaborate with various
4 state entities regarding methods to protect water
5 resources in the state, assure an adequate supply of
6 water, mitigate and prevent floods, and coordinate
7 the management of those resources in a sustainable,
8 fiscally responsible, and environmentally responsible
9 manner. The advisory council may seek input from
10 councils of governments or other organizations in the
11 development of its recommendations. The advisory
12 council shall meet once a year and at other times as
13 deemed necessary to meet the requirements of this
14 section. The advisory council may appoint a task
15 force to assist the advisory council in completing its
16 duties.

17 Sec. _____. Section 466B.31, subsection 2, paragraph
18 a, subparagraph (12), Code 2013, is amended by striking
19 the subparagraph.

20 Sec. _____. Section 466B.31, subsection 2, paragraph
21 a, Code 2013, is amended by adding the following new
22 subparagraphs:

23 NEW SUBPARAGRAPH. (20) One member selected by the
24 women, food, and agriculture network.

25 NEW SUBPARAGRAPH. (21) One member selected by the
26 midwest office of the environmental working group.

27 NEW SUBPARAGRAPH. (22) One member selected by
28 practical farmers of Iowa.

29 NEW SUBPARAGRAPH. (23) One member selected by the
30 Iowa farmers union.

31 NEW SUBPARAGRAPH. (24) One member selected by the
32 Iowa association of county conservation boards.

33 NEW SUBPARAGRAPH. (25) One member selected by the
34 Iowa association of water agencies.

35 NEW SUBPARAGRAPH. (26) One member selected by
36 watershed management authorities created pursuant to
37 section 466B.22.

38 Sec. _____. Section 466B.31, subsection 2, paragraph
39 b, Code 2013, is amended by striking the paragraph.>

40 _____. By renumbering as necessary.>

By ISENHART of Dubuque

HOUSE FILE 312

H-1069

1 Amend House File 312 as follows:

2 1. By striking page 2, line 18, through page 3,
3 line 2, and inserting:

4 <Sec. _____. IMPLEMENTATION.

5 1. The department of natural resources shall fully
6 implement section 459.315, subsection 3, paragraph "d",
7 as enacted by this Act, after completing a development
8 project. The department shall complete the development
9 project within twelve months after the effective date
10 of this Act.

11 2. The department shall fully implement section
12 459.315, subsection 3, paragraph "d", as enacted by
13 this Act, within twelve months after the development
14 project is completed as provided in subsection 1.>

15 2. Title page, line 3, by striking <contingent>

16 3. By renumbering, redesignating, and correcting
17 internal references as necessary.

By KLEIN of Washington

H-1069 FILED MARCH 11, 2013

HOUSE FILE 355

H-1066

1 Amend House File 355 as follows:

2 1. Page 1, by striking lines 20 through 28.

3 2. By renumbering as necessary.

By KAUFMANN of Cedar

H-1066 FILED MARCH 11, 2013

HOUSE FILE 381

H-1064

1 Amend House File 381 as follows:

2 1. Page 1, by striking lines 6 and 7 and inserting
3 <of blood. In races recognized as graded stakes
4 thoroughbred races, the>

By STANERSON of Linn

H-1064 FILED MARCH 11, 2013

HOUSE FILE 454

H-1068

1 Amend House File 454 as follows:

2 1. Page 5, line 20, after <literacy,> by inserting
3 <financial literacy,>

By PETTENGILL of Benton

H-1068 FILED MARCH 11, 2013

HOUSE FILE 478

H-1067

1 Amend House File 478 as follows:

2 1. Page 3, after line 1 by inserting:

3 <DIVISION _____

4 TAXPAYERS TRUST FUND

5 Sec. _____. Section 8.54, subsection 5, Code 2013, is
6 amended by striking the subsection.

7 Sec. _____. Section 8.55, subsection 2, Code 2013, is
8 amended to read as follows:

9 2. The maximum balance of the fund is the amount
10 equal to two and one-half percent of the adjusted
11 revenue estimate for the fiscal year. If the amount of
12 moneys in the Iowa economic emergency fund is equal to
13 the maximum balance, moneys in excess of this amount
14 shall be ~~distributed as follows~~.

15 a. ~~The first sixty million dollars of the~~
16 ~~difference between the actual net revenue for the~~
17 ~~general fund of the state for the fiscal year and the~~
18 ~~adjusted revenue estimate for the fiscal year shall be~~
19 transferred to the taxpayers trust fund.

20 b. ~~The remainder of the excess, if any, shall be~~
21 ~~transferred to the general fund of the state.~~

22 Sec. _____. Section 8.57E, subsection 2, Code 2013,
23 is amended to read as follows:

24 2. Moneys in the taxpayers trust fund shall only be
25 used pursuant to appropriations or transfers made by
26 the general assembly for tax relief.

27 Sec. _____. Section 8.58, Code 2013, is amended to
28 read as follows:

29 8.58 Exemption from automatic application.

30 1. ~~To the extent that moneys appropriated under~~
31 ~~section 8.57 do not result in moneys being credited~~
32 ~~to the general fund under section 8.55, subsection 2,~~
33 ~~moneys~~ Moneys appropriated under in section 8.57 and
34 moneys contained in the cash reserve fund, rebuild
35 Iowa infrastructure fund, environment first fund, Iowa
36 economic emergency fund, and taxpayers trust fund shall
37 not be considered in the application of any formula,
38 index, or other statutory triggering mechanism which
39 would affect appropriations, payments, or taxation
40 rates, contrary provisions of the Code notwithstanding.

41 2. ~~To the extent that moneys appropriated under~~
42 ~~section 8.57 do not result in moneys being credited~~
43 ~~to the general fund under section 8.55, subsection 2,~~
44 ~~moneys~~ Moneys appropriated under in section 8.57 and
45 moneys contained in the cash reserve fund, rebuild
46 Iowa infrastructure fund, environment first fund, Iowa
47 economic emergency fund, and taxpayers trust fund shall
48 not be considered by an arbitrator or in negotiations
49 under chapter 20.

50 DIVISION _____

H-1067

1 IOWA TAXPAYERS TRUST FUND TAX CREDIT
2 Sec. _____. TAXPAYERS TRUST FUND ---- IOWA TAXPAYERS
3 TRUST FUND TAX CREDIT TRANSFER. During the fiscal
4 year beginning July 1, 2013, there is transferred from
5 the taxpayers trust fund created in section 8.57E to
6 the Iowa taxpayers trust fund tax credit fund created
7 in section 422.11E, an amount equal to the sum of
8 the balance of the taxpayers trust fund as determined
9 after the close of the fiscal year beginning July 1,
10 2012, and ending June 30, 2013, including the amount
11 transferred for that fiscal year to the taxpayers trust
12 fund from the Iowa economic emergency fund created
13 in section 8.55 in the fiscal year beginning July 1,
14 2013, and ending June 30, 2014, to be used for the Iowa
15 taxpayers trust fund tax credit in accordance with
16 section 422.11E, subsection 5.

17 Sec. _____. NEW SECTION. 422.11E Iowa taxpayers
18 trust fund tax credit.

19 1. For purposes of this section, unless the context
20 otherwise requires:

21 a. "Eligible individual" means, with respect to
22 a tax year, an individual who makes and files an
23 individual income tax return pursuant to section
24 422.13. "Eligible individual" does not include
25 an estate or trust, or an individual for whom an
26 individual income tax return was not timely filed,
27 including extensions.

28 b. "Unclaimed tax credit" means, with respect to
29 a tax year, the aggregate amount by which the Iowa
30 taxpayers trust fund tax credits that were eligible to
31 be claimed by eligible individuals, if any, exceeds the
32 Iowa taxpayers trust fund tax credits actually claimed
33 by eligible individuals, if any.

34 2. The taxes imposed under this division, less the
35 credits allowed under this division except the credits
36 for withheld tax and estimated tax paid in section
37 422.16, shall be reduced by an Iowa taxpayers trust
38 fund tax credit to an eligible individual for the tax
39 year beginning January 1 immediately preceding July 1
40 of any fiscal year during which a transfer, if any, is
41 made from the taxpayers trust fund in section 8.57E to
42 the Iowa taxpayers trust fund tax credit fund created
43 in this section.

44 3. The credit shall be equal to the quotient of
45 the amount transferred to the Iowa taxpayers trust
46 fund tax credit fund in the applicable fiscal year,
47 divided by the number of eligible individuals for the
48 tax year immediately preceding the tax year for which
49 the credit in this section is allowed, as determined
50 by the director of revenue in accordance with this

1 section, rounded down to the nearest whole dollar. The
2 department of revenue shall draft the income tax form
3 for any tax year in which a credit will be allowed
4 under this section to provide the information and space
5 necessary for eligible individuals to claim the credit.

6 4. Any credit in excess of the taxpayer's liability
7 for the tax year is not refundable and shall not be
8 credited to the tax liability for any following year
9 or carried back to a tax year prior to the tax year in
10 which the taxpayer claims the credit.

11 5. a. There is established within the state
12 treasury under the control of the department an Iowa
13 taxpayers trust fund tax credit fund consisting of any
14 moneys transferred by the general assembly by law from
15 the taxpayers trust fund created in section 8.57E for
16 purposes of the credit provided in this section. For
17 the fiscal year beginning July 1, 2013, and for each
18 fiscal year thereafter, the department shall transfer
19 from the Iowa taxpayers trust fund tax credit fund
20 to the general fund of the state, the lesser of the
21 balance of the Iowa taxpayers trust fund tax credit
22 fund or an amount of money equal to the Iowa taxpayers
23 trust fund tax credits claimed in that fiscal year, if
24 any. Any moneys in the Iowa taxpayers trust fund tax
25 credit fund which represent unclaimed tax credits shall
26 immediately revert to the taxpayers trust fund created
27 in section 8.57E. Interest or earnings on moneys in
28 the Iowa taxpayers trust fund tax credit fund shall be
29 credited to the taxpayers trust fund created in section
30 8.57E.

31 b. The moneys transferred to the general fund of
32 the state in accordance with this subsection shall not
33 be considered new revenues for purposes of the state
34 general fund expenditure limitation under section 8.54
35 but instead as replacement of a like amount included in
36 the expenditure limitation for the fiscal year in which
37 the transfer is made.>

38 2. Page 3, line 24, before <or> by inserting
39 <except for the Iowa taxpayers trust fund tax credit
40 allowed under section 422.11E,>

41 3. Page 5, line 15, before <or> by inserting
42 <except for the Iowa taxpayers trust fund tax credit
43 allowed under section 422.11E,>

44 4. Page 5, line 21, by striking <This> and
45 inserting:

46 1. Except as provided in subsection 2, this>

47 5. Page 5, after line 23 by inserting:

48 <2. The following provisions of this Act apply
49 retroactively to July 1, 2012, to moneys attributed to
50 fiscal years beginning on or after July 1, 2012:

- 1 a. The section of this Act amending section 8.54.
- 2 b. The section of this Act amending section 8.55.
- 3 c. The section of this Act amending section 8.57E.
- 4 d. The section of this Act amending section 8.58.>
- 5 6. Title page, line 1, by striking <the individual
- 6 income tax by> and inserting <revenue and taxation by
- 7 modifying the transfer of moneys from the Iowa economic
- 8 emergency fund to the taxpayers trust fund, creating
- 9 an Iowa taxpayers trust fund tax credit and fund and
- 10 providing for the transfer of moneys for purposes of
- 11 the credit,>
- 12 7. By renumbering as necessary.

By COWNIE of Polk



HF 473 – Targeted Jobs Withholding Changes (LSB 2325HV)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 473 modifies the Targeted Jobs Withholding Tax Credit Pilot Project (Iowa Code section **403.19A**). Current law allows pilot cities to enter into withholding agreements with employers through June 30, 2013. The Bill extends the agreement deadline five years to June 30, 2018.

Currently, only businesses located in or moving into urban renewal areas in pilot project cities are eligible for the pilot project benefits. The Bill removes the requirement that the employer be located within an urban renewal area.

The changes apply to withholding agreements entered into on or after the effective date of the Bill.

Background

The Targeted Jobs Withholding Tax Credit Pilot Project was created in **HF 2731** (Targeted Jobs Withholding Act of 2006) with an original final agreement date of June 30, 2010. This deadline was extended to June 30, 2013, in **SF 304** (Targeted Jobs Withholding Act of 2009).

The cities qualified for participation in the Targeted Jobs Withholding Tax Credit Pilot Project are Sioux City, Council Bluffs, Burlington, Fort Madison, and Keokuk.

The Target Jobs Withholding Tax credit is equal to 3.0% of the wages paid to employees in qualified jobs. Instead of remitting the credit amount to the State for deposit with other withholding tax, the employer remits the Credit amount to the pilot city for deposit in a special fund for the Urban Renewal area where the targeted jobs are located. Employees whose income tax is redirected to the pilot project agreement instead of the State General Fund receive full credit for all tax withheld.

An agreement may divert withholding tax for a maximum of 10 years.

Assumptions

1. Fiscal year 2013 withholding agreements (the last year allowed under current law) are projected to total \$14.7 million across the five pilot cities.
2. Using Moody's Analytics projections of U.S. Gross Domestic Product growth as a method of projecting growth in the economy of the pilot cities, program credit demand is projected to be \$15.6 million in FY 2014 and grow to \$19.0 million by FY 2018.
3. Based on the relative commercial and industrial (C/I) taxable value of pilot city Urban Renewal areas to their C/I total taxable value, expansion of the program to all areas of the

five pilot cities will increase credit demand by 128.0%. This increases the projections in number 2 above to \$35.5 million in FY 2014, growing to \$43.4 million in FY 2018.

4. Based on past experience with the program, actual tax credits will equal 78.1% of tax credits awarded.
5. Credits will be claimed over a 10-year period. Due to start-up considerations, a smaller portion of the total claim will be utilized in the first two years of 10-year agreements.

Fiscal Impact

Extending the pilot project five years and expanding it to businesses located outside of Urban Renewal areas will increase the diversion of withholding tax deposits from the State General Fund by \$154.7 million over 15 fiscal years, beginning in FY 2014 and extending through FY 2027.

General Fund Revenue Reduction Due to Withholding Tax Diversion

In millions of dollars, total = \$ -154.7 million

FY 2014	\$	-1.0	FY 2021	\$	-17.3
FY 2015		-3.1	FY 2022		-17.3
FY 2016		-6.4	FY 2023		-17.2
FY 2017		-9.8	FY 2024		-14.1
FY 2018		-13.5	FY 2025		-10.8
FY 2019		-16.0	FY 2026		-7.3
FY 2020		-17.3	FY 2027		-3.6

Source

Iowa Department of Revenue

/s/ Holly M. Lyons

March 11, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 458 – Agriculture Department, Conservation Cost Share (LSB 1276HV)
Analyst: Adam Broich (Phone: (515) 281-8223) (adam.broich@legis.iowa.gov)
Fiscal Note Version – New

Description

In 1983, the General Assembly created the Conservation Practices Revolving Loan Fund and appropriated \$1.0 million, and another \$750,000 in 1984, for the creation of the Fund. The Fund is administered by the Division of Soil Conservation (DSC) within the Department of Agriculture and Land Stewardship. Since establishment, the DSC has granted zero interest loans to private land owners for the installation of permanent conservation practices. Loan amounts may not exceed \$10,000, and must be repaid in 10 years. Loan repayments are deposited in the Fund to finance ongoing lending, and are the Fund's major source of revenue.

From FY 2007 to FY 2012, annual loan repayment revenue has averaged \$297,000 and exceeded new loans issued on average by \$228,000 annually (34.6%). This has led to an increasing carryover balance of the Fund. The balance carried forward into FY 2013 was \$919,000.

This Bill will increase the maximum loan size to \$20,000 and will allow loans from this Fund to be used in conjunction with public cost-sharing dollars.

Fiscal Impact

There is no impact to the General Fund.

Allowing landowners to use Revolving Loan Fund loans in conjunction with other resources may increase the demand for these loans. However, additional demand is not possible to predict. In FY 2012, the DSC approved 16 loans for the maximum amount of \$10,000. Under the proposed changes, each applicant could have received \$20,000, potentially increasing loan expenditures by a maximum of \$160,000.

This Bill is estimated to increase new loans issued by a maximum of \$160,000 per fiscal year, and is projected to reduce the Fund's balance. Expenditure will exceed revenue by \$125,000 in FY 2014 and \$120,000 in FY 2015.

Sources

Department of Agriculture and Land Stewardship
I3 Budget System

/s/ Holly M. Lyons

March 11, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 324 – Targeted Small Business Program (LSB 1272HV)
Analyst: Kenneth Ohms (Phone: (515) 725-2200) (kenneth.ohms@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 324 eliminates the Targeted Small Business (TSB) Financial Assistance Program, transfers remaining funds, recaptures, and repayments to a new fund created by the Iowa Economic Development Authority (IEDA), requires the IEDA to contract with a microloan service provider to deliver financial and technical assistance services to targeted small businesses for three years, and requires the IEDA to submit a report to the General Assembly and Governor's Office describing the results achieved by the service provider and make recommendations on providing future funding.

Background

The TSB Financial Assistance Program established in Iowa Code section [15.247](#) has received funding through different appropriations and allocations in previous fiscal years. The most recent funding sources include:

- FY 2007: General Fund supplemental appropriations that included the following ([2007 Iowa Acts chapter 207](#)):
 - TSB Financial Assistance Program \$2.5 million.
 - TSB Marketing and Compliance \$225,000.
 - TSB Process Improvement and Administration \$225,000.
 - TSB Advocacy Centers \$900,000.
 - These appropriations were later reduced in FY 2009 and FY 2010 due to Iowa Code section [8.31](#) reductions (across the board reductions).
- FY 2011: An allocation from the Economic Development (formerly Grow Iowa Values) Fund of \$847,400.
- FY 2012: An allocation from the Economic Development Fund of \$300,000.

Assumptions

- The unobligated balance of the TSB Financial Assistance Account at the end of FY 2013 will be \$1.1 million.
- All funds loaned and currently due to the TSB Financial Assistance Program will be repaid by recipients on time.
- The IEDA contract with the microloan service provider will cost a total of \$250,000 for three years of service.
- This Bill takes effect July 1, 2013.

Fiscal Impact

There is no fiscal impact to the General Fund.

After the payment for contract with the microloan service provider, \$850,000 will be available to enable the microloan service to provide financial and technical assistance to targeted small businesses at a discounted rate.

Repayments in future fiscal years are estimated as follows:

- FY 2014 — \$320,000
- FY 2015 — \$225,000

This funding will continue to be used to offer financial and technical assistance to targeted small businesses.

If loans are made in the remainder of FY 2013 under the current TSB Financial Assistance Program, the amount transferred to the new program will decrease by that amount.

Source

Iowa Economic Development Authority

/s/ Holly M. Lyons

March 11, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 456 – School Bus Purchasing, State Option (LSB 1089HV)
Analyst: Dwayne Ferguson (Phone: (515) 281-6561) (dwayne.ferguson@legis.iowa.gov)
Fiscal Note Version – New
Requested by Representative Curtis Hanson

Description

House File 456 creates a centralized state-operated school bus purchasing program and requires the Department of Administrative Services (DAS) to develop procedures in consultation with the Department of Education (DE). The program is open to public and nonpublic schools, and participation is voluntary. As a condition of participation, each bidder must agree that if the bidder subsequently offers a substantially similar bid to another purchaser for a lower price, the bidder's contract price with the State will be automatically reduced to match the lower price.

Background

The DE and the DAS have been moving forward on this program without legislation and are developing a request for proposals (RFP).

Assumptions

It is assumed that:

- Approximately 350 buses are purchased annually in Iowa.
- Savings will be approximately \$500 per bus purchased through the program.
- The startup costs for the DAS involve staff time to create the ordering system and are estimated to be \$14,400. The annual cost to operate the program is estimated to be \$17,500 in staff time. Staff time costs are opportunity costs as they spend their time on these tasks instead of other tasks.
- The DE will not incur any significant costs in developing this program.

Fiscal Impact

Statewide, public and nonpublic schools could save up to \$175,000 annually. The costs for the DAS will be opportunity costs and are not significant.

Sources

Department of Administrative Services
Department of Education
Office of Superintendent of Public Instruction, State of Washington
Indiana Department of Education

/s/ Holly M. Lyons

March 11, 2013

The fiscal note for this bill was prepared pursuant to **Joint Rule 17**. Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
